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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

IN RE: WARNER MUSIC GROUP CORP.
DIGITAL DOWNLOADS LITIGATION

CASE NO. CV 12-0559-RS

~~PROPOSED~~ ORDER GRANTING
MOTION FOR FINAL APPROVAL OF
CLASS ACTION SETTLEMENT

1 The Court, having reviewed the Motion for Final Approval of Class Action Settlement
 2 between Plaintiffs Kathy Sledge Lightfoot, Ronee Blakley and Gary Wright (“Plaintiffs”) and
 3 Defendant Warner Music Group Corp. (“WMG”), the evidence and argument provided by the
 4 parties, and the pleadings and other papers on file in this action, hereby GRANTS final approval
 5 to the Stipulation and Agreement of Settlement, as detailed below.

6 NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

7 1. The Court has jurisdiction over the subject matter of this litigation and over the
 8 parties to the Settlement Agreement.

9 2. For purposes of this Order, except as otherwise set forth herein, the Court adopts
 10 and incorporates the definitions contained in the Stipulation and Agreement of Settlement.

11 3. The Court hereby finally approves and confirms the settlement set forth in the
 12 Stipulation and Agreement of Settlement and finds that said settlement is, in all respects, fair,
 13 adequate, and reasonable to the Class.

14 4. Pursuant to Federal Rule of Civil Procedure (“Rule”) 23, the Court finds that the
 15 Class to satisfies the elements of Rule 23(a), (b)(2), and (b)(3). Pursuant to Rule 23(g), the Court
 16 appoints previously-appointed Class Counsel, Pearson, Simon & Warshaw, LLP, Lieff, Cabraser,
 17 Heimann & Bernstein LLP, Phillips, Erlewine & Given LLP, Hausfeld LLP, and Kiesel Boucher
 18 Larson LLP, as Counsel for the Class.

19 5. The Court finds that the persons identified in Exhibit “A” attached hereto have
 20 timely and validly requested exclusion from the Class, and therefore, are excluded accordingly.
 21 Such persons are not included in or bound by this Final Judgment. Such persons are not entitled to
 22 any recovery from the settlement proceeds obtained through this settlement.

23 6. The Court finds that the objection of Debra Sledge, Joan Sledge, and Kim Sledge
 24 Allen (Dkt. No. 107) is invalid because they have been excluded from the class as all Class
 25 Members who are parties to the Sister Sledge Class Contract did not submit claims. *See*,
 26 Stipulation and Agreement of Settlement, § 21(a) (Dkt. 96-1); *see also* Declaration of Melissa
 27 Eisert, ¶ 10(a). Only class members have standing to object to a class settlement. *In re Vitamins*
 28 *Antitrust Class Actions*, 215 F.3d 26, 28-29 (D.D.C. 2000); *Moore v. Verizon Communications*

1 *Inc.*, 2013 WL 4610764 (N.D. Cal 2013) (“[i]t is well-settled that only class members may object
2 to a class action settlement.”); and Conte & Newberg, *Newberg on Class Actions* § 13:23 (5th ed.
3 2014). Despite the lack of standing, the Court has considered the objection made to the settlement
4 and hereby overrules such objection, finding that it does not call into question the fairness,
5 adequacy, or reasonableness of the settlement to the Class.

6 7. The Court hereby dismisses on the merits and with prejudice the claims asserted in
7 this litigation by Plaintiffs against WMG, with Plaintiffs and WMG to bear their own costs and
8 attorneys’ fees except as provided for in the Stipulation and Agreement of Settlement.

9 8. Plaintiffs, the Settlement Class, and each Class Member on behalf of themselves,
10 their heirs, executors, administrators, attorneys, successors and assigns, and any persons they
11 represent, shall be deemed to have, and by operation of the dismissal of the Action shall have,
12 fully, finally and forever released, relinquished, and discharged the Released Parties with respect
13 to each and every Released Claim and shall forever be enjoined from prosecuting any of the
14 Released Claims with respect to each and every Released Party and covenant not to sue any of the
15 Released Parties with respect to any of the Released Claims.

16 (a) “Released Parties” means Defendant, including its unincorporated divisions
17 and business units, and any of its past, present, or future parent entities, associates, affiliates,
18 subsidiaries, or licensees and each and all of their past, present and future officers, directors,
19 stockholders, principals, employees, advisors, agents, attorneys, financial or investment advisers,
20 consultants, lenders, insurers, investment bankers, commercial bankers, representatives, affiliates,
21 associates, parents, subsidiaries, joint ventures, general and limited partners and partnerships,
22 heirs, executors, trustees, personal representatives, estates, administrators, trusts, predecessors,
23 successors and assigns.

24 (b) “Released Claims” shall collectively mean any and all actions, suits, claims,
25 demands, rights, liabilities and causes of action, of every nature and description whatsoever,
26 whether individual, class, derivative, representative, legal, equitable or any other type or in any
27 other capacity, or concealed or hidden, that were asserted or that could have been asserted
28 (including without limitation claims for negligence, gross negligence breach of contract, breach of

1 duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, or violations of any
2 state or federal common law, statutes, rules, or regulations), including both known claims and
3 Unknown Claims, that the Plaintiffs, the Settlement Class, any Class Member or any of them in
4 the past had, now has, or might in the future have against the Released Parties or any of them (i)
5 on the basis of, connected with, or in any way arising out of any allegation that any past, present,
6 or future accrual of royalties for transactions involving Downloads/Mastertones anywhere in the
7 world on the ground (whatever the theory and wherever in the world the transaction takes place)
8 that transactions involving Downloads/Mastertones are not sales and/or that compensation for
9 transactions involving Downloads/Mastertones should not be paid on a Royalty Rate Basis or a
10 Penny Rate Basis as applicable under the so-called "Records Sold" provision of the applicable
11 Class Contract and/or that royalty recipients should receive different royalty treatment for
12 Downloads/Mastertones depending on the nature of WMG's contractual relationship with digital
13 music retailers such as Apple's iTunes Store; and (ii) as to the adequacy and accuracy of anything
14 contained within WMG's Settlement Class Relief Report, which will be finally confirmed through
15 the process set forth in Paragraph 21(e), except as otherwise set forth herein.

16 9. The Court finds that the settlement Notice disseminated to the Class was the best
17 notice that was practicable under the circumstances. Said Notice provided due and adequate
18 notice of these proceedings and of the matters set forth therein, including the proposed settlement
19 set forth in the Stipulation and Agreement of Settlement, and fully satisfied the requirements of
20 Rule 23(c)(2) and (e) and due process.

21 10. Without affecting the finality of this Judgment in any way, the Court hereby retains
22 continuing and exclusive jurisdiction over: (a) implementation of the settlement and any
23 distribution to Class Members pursuant to further orders of this Court; (b) hearing and determining
24 Plaintiff's application for attorneys' fees, costs, and Named Plaintiffs' incentive award; (c) WMG
25 until the Final Judgment contemplated hereby has become effective and each and every act agreed
26 to be performed by the parties has been performed pursuant to the Stipulation and Agreement of
27 Settlement; and (d) all parties and Class Members for the purpose of enforcing and administering
28 the Stipulation and Agreement of Settlement.

1 11. In the event the settlement does not become effective in accordance with the terms
2 of the Stipulation and Agreement of Settlement, then the judgment shall be rendered null and void
3 and shall be vacated, and in such event, all orders entered and releases delivered in connection
4 herewith shall be null and void and the parties shall be returned to their respective positions *ex*
5 *ante*.

6 12. The Court finds, pursuant to Rule 54(a) and (b), that this Final Judgment should be
7 entered and further finds that there is no just reason for delay in the entry of this judgment as a
8 Final Judgment, as to the parties to the Stipulation and Agreement of Settlement. Accordingly, the
9 Clerk is hereby directed to enter Judgment forthwith.

10
11 **IT IS SO ORDERED.**

12
13 DATED: January 12, 2015

A handwritten signature in black ink, appearing to read "Richard Seeborg", written over a horizontal line.

Honorable Richard Seeborg
UNITED STATES DISTRICT COURT